AQA

A-LEVEL
Business Studies

BUSS2: Managing a Business
Report on the Examination

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Overview

In general this paper proved to be very manageable for students. Students were able to access and use the stimulus material appropriately in their responses and there were frequent uses of data to support arguments made. More successful students had strong subject knowledge and an understanding of examination technique. These read and targeted their answers directly at the questions asked, using the stimulus material to support their lines of reasoning and judgements.

Successful students read the questions carefully and were then selective in directly addressing the question asked. This enabled them to use the case study material whilst at the same time providing effective analysis. Good responses then culminated in well thought out and supported judgements that were fully focussed on the core of the question rather than overall generic judgements. Those students who developed arguments that were analytical as well as in context scored at the top of the relevant level on the marking scheme. The use of figures and calculations to support responses on both questions was frequently evident and provided good examples of high quality application. Good analysis was evident in those responses that did not rely on assumptions or assertive statements and that often directed the argument back to the question itself having fully discussed their point.

A common weakness on this paper was that although students were able to access the stimulus material and apply their answers well, many struggled to follow this through with the development of effective analysis, again commonly due to a lack of targeting the key aspects of the question asked. By not focussing on the actual question many students lines of analysis, though frequently developed in depth, wandered away from the core of the question. Many students also attempted to offer too many separate lines of reasoning rather than being selective and offering fewer but more developed points. This then lead many students' evaluations to be very generalised or lacking support. To achieve marks from the higher levels students need to focus their judgements on reaching a decision rather than just summarising both sides of an argument they have previously analysed. Some students also need to be aware that application is not just simply stating data or quoting text from the case study, it must be used in answers to support a relevant line of reasoning.

Question 1

a) Most students tackled this question very well. Many were able to offer a relevant formula at the beginning and then successfully completed the calculation. Very few students were unable to offer any attempt.

Where students did not achieve full marks, the most common mistakes were selecting the wrong year, using sales volume rather than sales revenue in the formula, not completing the final percentage calculation, despite the correct figures being in place or missing the percentage sign. Some students just stated an incorrect final answer but showed no workings. Students are always advised to show workings to demonstrate how an answer was arrived at so as to allow credit to be given for correct processes even when mistakes are made. For those who did not score highly on the question, this was often due to a lack of structure in their approach and a genuine lack of understanding about how to calculate sales revenue, total costs or profit.

b) Almost all students showed understanding of the Boston Matrix and were able to make links to market share and market growth. A small proportion of students had no knowledge of this model, but did spend time answering the question usually trying to incorporate Product Life Cycle theory into their response. It was pleasing to note the confidence of many students in applying the data from the case study, this was a significant strength and frequently resulted in students gaining good application by relating the company's services to the correct aspect of the matrix. Less successful students just showed a strong theoretical understanding of the use of the Boston Matrix; resulting in the analysis presented being superficial. Alternatively they did not use the case study and for the whole answer explained each quadrant of the matrix in detail achieving marks for knowledge only. However, when it was done well, there was a genuine grasp of the purpose and use of the matrix in managing a portfolio.

c) This question proved for many students to be the most challenging on the paper. There was often a lack of understanding of the promotional mix confusing it with the marketing mix. Teachers need to ensure the distinction is absolutely clear. Other students focussed their responses on advertising being the only element of the promotional mix that led to low level answers with limited analysis. Alongside many students ignored key elements of the question notably the concept of an 'influence' or relating to the objective of growth. Many students struggled with the context of the question; particularly the first statement on the company's financial position and either focused completely on the financial position, discussing loans and overdrafts and how to finance promotional activities. When students did utilise this it was often the only influence discussed resulting in a lack of balance in their response. Consequently evaluation was often simple, in the form of 'I agree that its financial position is the biggest influence' and nothing more.

However, those students who understood the question and took time to think it through tackled it well, bringing in application about the small budget and comparison to competitors spending, alongside the nature of the market, the different target groups, the changes in market structure and the focus on the objective of achieving growth. Good answers often adopted a realistic stance and considered that the financial situation made a large budget impossible but that strategic targeted use of low cost technological media and being flexible with the budget would allow a successful Promotional Mix.

(d) The question elicited a lot of different styles of responses, including using Price Elasticity of Demand calculations to rework the revenue and profit figures accurately, or a balanced multi sided approach using elasticity, changes in the market and investment plans. Where students had a good theoretical understanding of elasticity, it supported their analysis. Successful students were able to discuss confidently the impact of elasticity, the limitations of the theory and the wider influences on elasticity. These students were then able to contrast with the inelastic food and drink and this allowed for some powerful analysis and well supported judgements to be made. However, there were a significant number of students who still did not understand elasticity or confused the -2 negative co-efficient as meaning inelastic.

Most students were able to use the pricing differences compared to national averages to support an argument. Also, students made good use of the low capacity utilisation and a further impact of a price increase on this especially in a declining market.

Evaluation was mixed, when the judgement was stronger, they made use of 'best' with an element of contrast.

Question 2

(a)

(b) Responses to this question were varied with the differentiator being if the student accurately read the question of 'monitoring' customer service. Almost all students were able to define and explain the benefits of good customer service with better responses identifying the importance of customer service and made strong links to the need to monitor in the context of this case study.

(c) Almost all students understood organisational structures, hierarchy and span of control. The use of the case study on the whole was well applied making good use of the data to support lines of development. A common approach involved the motivation of employees as a result of quicker communication and/or closer supervision and the benefit resulting in a reduction in faulty products and customer complaints. Other popular benefits were the more manageable supervision that a smaller span of control would provide and the release of managers/directors to undertake company issues. Analysis often proved to be more difficult than application with students being overly assertive about benefits that would be forthcoming or making sweeping assumptions about what the new layer of supervisors might do such as automatically bringing empowerment to the whole workforce. Often a leap was made to state that labour turnover would decrease or labour productivity would increase without fully analysing why.

(d) Many students were able to provide a balance to this question, examining what needed to be improved with recruitment and selection to raise performance and contrasting this to another element/problems identified in the case and different methods to improve workforce performance. Answers for this question tended to be more analytical and less applied and in many responses the use of data was less apparent. Where it was answered less well there was too little emphasis on improving workforce performance and too much descriptive work on recruitment and selection processes or too much focus on the whole business. While weaker evaluation failed to address the question as to was the best way

Successful students focused on the impact of workforce performance and were able to integrate the data from the case to support lines of analysis. They made really strong links between recommendations, on the job training, high labour turnover and underperformance and contrasted differing strategies for tackling these issues. Good judgements frequently emphasised the difference between the value of strategies for both new and current employees. .

(e) Knowledge of sub-contracting was generally good although there were some students who confused it with bringing in temporary workers. However many responses focused on the advantages and disadvantages of subcontracting with little focus on 'ensuring that output continues to match demand'. Few students though picked up on the bespoke nature of their product possibly being reduced by use of the Polish company. Good answers included the fact that they could use sub-contracting as a short term measure giving them the time and ability to fix their current problems. A few very good answers considered whether or not the current levels of demand would continue in the future in the light of increased competition.

Again, good judgement needed to be based on the 'Best way' to ensure output continued to meet demand.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the Results Statistics page of the AQA Website.

Converting Marks into UMS marks

Convert raw marks into Uniform Mark Scale (UMS) marks by using the link below.

UMS conversion calculator